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Turkey

Tree Nuts

Semi Annual

2005

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Report Highlights:

Turkey's MY 2005 hazelnut crop development looks normal so far. However, weather conditions through the end of April are very important. It is still very early to give a reliable estimate for MY 2004 crop hazelnuts. Hazelnut prices went up to record high levels due to low production in two years in a row and very low stocks. In mid January, export prices were about USD 800 per 100 Kg. of whole natural hazelnuts and about USD 1,000 per 100 Kg. of whole processed hazelnuts. FISKOBIRLIK sold out all of its MY 2003 stocks and most of MY 2001 stocks in recent months. For the first time in a long period, hazelnut stocks in Turkey and in the world will be minimum. The import duties remained at 43.2 percent for shelled and in shell hazelnuts and 58.5 percent for processed hazelnut products for all origins.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
Ankara [TU1]
[TU]

Thus far, conditions for Turkey's MY 2005 (September 2005 – August 2006) hazelnut crop have been normal. However, the crop is particularly vulnerable to weather conditions through the end of April. The production in the western provinces is projected to be lower in MY 2005 due to excess production MY 2004. Hazelnut trees often produce less in the year following a good crop. Production in the eastern provinces is projected to be higher in MY 2005, even though many bushes in the higher elevations were hurt from last year's frosts and may not have good yields. Given these conditions, production for MY 2005 is currently estimated at 550,000 MT.

MY 2004 production estimates have not been finalized. Producers are only bringing small quantities to the market at any one time rather than massive deliveries. This is making production estimates very difficult. Even though FISKOBIRLIK extended its procurement period through March, producers prefer selling at the current market prices, which are slightly higher than FISKOBIRLIK offerings. FISKOBIRLIK's gross procurement prices remain unchanged at TL 5,250,000 per kilogram of Giresun type, TL 5,050,000 per kilogram of Levant type, and TL 4,750,000 per kilogram of pointed hazelnuts (all in shell). FISKOBIRLIK procured only 17,000 MT. This quantity is much lower than the quantity procured during most of the previous 10 years, except last year. FISKOBIRLIK procured only about 8,000 MT in MY 2003 due to short supplies and lower procurement prices. FISKOBIRLIK's MY 2003 gross procurement price was TL 2,500,000 per kilogram for all types of in shell hazelnuts (Giresun, Levant, and pointed).

Kernal yields of MY 2004 crop are normal (around 50 percent) while nut quality is a little smaller than the normal. It is estimated that about 20 percent of the MY 2004 crop is standard #1 (13-15 mm), 70 percent is standard #2 (11-13 mm), and the remaining crop is standard #3 (9-11 mm) or shrunken kernels.

FISKOBIRLIK reportedly had about 25,000 MT of hazelnuts in its stocks at the end of 2004. Of this total, about 8,500 MT were estimated to be MY 2001 crop. FISKOBIRLIK sold a total of 94,000 MT of MY 2001 crop hazelnuts from its stocks for a total of TL 255 trillion since last summer. FISKOBIRLIK also sold the remaining small quantity of MY 2003 crop in recent months. Industry sources estimate that FISKOBIRLIK will sell most of its stocks by the end of March while the prices are still very high.

Turkey has experienced two consecutive poor crops in 2003 and 2004, which is extremely rare. As a result, prices on international markets reached record levels. The unwillingness of producers to sell all their production at once is also contributing to the high prices.

While Turkey has been exporting smaller quantities, exporters have been receiving higher prices in MY 2004. Turkey sold 208,793 MT of hazelnuts (in shell) during the first four months of MY 2004 (September 1 – December 31, 2004) for a total of USD 702,631,248. Turkey exported 219,298 MT and 298,542 MT and received USD 395,229,410 and USD 335,167,538 during the same period in MY 2003 and MY 2002, respectively. Whole natural hazelnuts were being sold at about USD 800 per one hundred kilograms and processed whole hazelnuts were being sold at about USD 1,000 per one hundred kilograms in mid January. Traders are projecting Turkey's total sales to reach nearly 400,000 MT (in shell) in MY 2004.

The current retail price for shelled roasted hazelnuts in Ankara is about YTL 20 (or TL 20,000,000) per kilogram, compared to TL 12,000,000 per kilogram last year and TL 18,000,000 per kilogram last August. (Since the beginning of the New Year Turkey started to use the New Turkish Lira by eliminating six zeros of TL. YTL 1.00=TL 1,000,000.) Currently USD 1.00 = YTL 1.35, compared to TL 1,480,000 last August and TL 1,350,000 last January.

The Export Trade Matrix represents unofficial export data received from the Black Sea Exporters Union for calendar years 2003 and 2004. Import Trade Matrix represents official import data for entire CY 2003 and first eleven months (January–October) data for CY 2004.

In 2005, the import duty remained at 43.2 percent for shelled or in shell hazelnuts and at 58.5 percent for processed hazelnut products for all origins.

Statistical Tables

PSD Table for Hazelnuts

Turkey Filberts, Inshell Basis							
	2003 USDA Official [Old]	Revised Post Estimate [New]	2004 USDA Official [Old]	Estimate Post Estimate [New]	2005 USDA Official [Old]	Forecast Post Estimate [New]	UOM
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Area Planted	0	0	0	0	0	0	HA
Area Harvested	0	0	0	0	0	0	HA
Bearing Trees	283000	286000	282000	288000	0	290000	1000 TREES
Non-Bearing Trees	11000	13000	10000	12000	0	12000	1000 TREES
Total Trees	294000	299000	292000	300000	0	302000	1000 TREES
Beginning Stocks	170000	170000	70000	72000	40000	29000	MT
Production	500000	500000	600000	425000	0	550000	MT
Imports	0	2400	0	2000	0	2000	MT
TOTAL SUPPLY	670000	672400	670000	499000	40000	581000	MT
Exports	450000	450000	480000	400000	0	480000	MT
Domestic Consumption	150000	150400	150000	70000	0	70000	MT
Ending Stocks	70000	72000	40000	29000	0	31000	MT
TOTAL DISTRIBUTION	670000	672400	670000	499000	0	581000	MT

Export Trade Matrix

Turkey Filberts, Inshell Basis

Time Period

Jan. - Dec.

Units:

Metric Tons

Exports for:	2003		2004
U.S.	14850	U.S.	8990
Others		Others	
Germany	133871	Germany	126081
Italy	60388	Italy	66935
France	42341	France	41892
Belgium	28608	Belgium	27034
Netherlands	24645	Netherlands	22196
Switzerland	18095	Switzerland	17708
United Kingdom	13806	Russia	13275
Austria	13502	United Kingdom	13151
Spain	12653	Austria	11842
Poland	7892	Spain	13408
Total for Others	355801		353522
Others not Listed	71224		72789
Grand Total	441875		435301

Import Trade Matrix

Turkey Filberts, Inshell Basis

Time Period	Jan. - Dec.	Units:	Metric Tons
Imports for:	2003	Jan. - Nov.	2004
U.S.	250	U.S.	152
Others		Others	
Germany	1479	Germany	1003
France	596	France	453
United Kingdom	520	Italy	196
Austria	191	Belgium	118
Netherlands	105	United Kingdom	86
Italy	88	Spain	84
Switzerland	83	China	79
Yugoslavia	73	Austria	47
Australia	58	Ukraine	41
Croatia	49	Egypt	20
Total for Others	3242		2127
Others not Listed	484		98
Grand Total	3976		2377